

## STATE OF TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE BOARD FOR LICENSING CONTRACTORS

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## IMPORTANT NOTICE REGARDING RENEWING YOUR LICENSE!!!!

Effective July 1, 2007, a new law requires all contractors to obtain General Liability Insurance in order to renew a license. In addition, workers compensation insurance is also required.

In order to comply with the new legislation, the Board has established the following as a "minimum" amount of coverage to obtain and a rulemaking will be held to discuss these amounts. Please check with your insurance provider, as they may advise to apply for more or additional coverage, based upon your individual needs and the amount of projects you perform.

## Contractor's License Monetary Limit Minimum General Liability Insurance Up to \$500,000 \$100,000 \$501,000 to \$1,500,000 \$500,000 \$1,501,000 to Unlimited \$1,000,000

We sincerely apologize for any inconvenience this may cause in delaying the issuance of your contractor's license. If you submitted your renewal without submitting proof of coverage, you may fax a copy of your insurance certificate at (615) 532-2868 and please include your license ID number.

The following is an excerpt of legislation SB1784, Public Chapter 130:

AN ACT to amend Tennessee Code Annotated, Title 62, Chapter 37 and Title 62, Chapter 6, relative to contractors.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 62-6-111(a)(1), is amended by inserting the following sentence at the end of that subdivision: "Any application for initial licensure or for renewal of licensure also shall be accompanied by an affidavit affirming that the applicant maintains general liability insurance and workers' compensation insurance and specifying the amount of such insurance as well as any other information the board may require."

SECTION 2. Tennessee Code Annotated, Section 62-37-108(b)(5), is amended by deleting the current language in its entirety and by substituting instead the following:

(5) Evidence of workers' compensation coverage pursuant to Title 50, Chapter 6, and evidence of general liability insurance, including the amount of such coverage, or submission to the Home Improvement Commission of a copy of the applicant's insurance policies or certificates of insurance issued by the carrier or self-insurer to the applicant indicating the date and duration of such coverage. Evidence of insurance coverage pursuant to this subdivision also shall be required to be submitted for renewal of licensure:

SECTION 3. This act shall take effect July 1, 2007, the public welfare requiring it.

Note: To ensure you are notified timely of future legislation, please be sure to register on our website at: <a href="http://regbdlist.state.tn.us/">http://regbdlist.state.tn.us/</a>